

COLUMBIA HEIGHTS WATER DISTRICT
Columbia, Louisiana

Annual Financial Statements

As of and for the Year Ended
December 31, 2013

COLUMBIA HEIGHTS WATER DISTRICT
Columbia, Louisiana

Annual Financial Statements

As of and for the Year Ended December 31, 2013

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M. CARLEEN DUMAS
Certified Public Accountant
369 Donaldson Road. Calhoun, Louisiana. Telephone 318/644-5726

Independent Accountant's Review Report

BOARD OF COMMISSIONERS
COLUMBIA HEIGHTS WATER DISTRICT
Columbia, Louisiana

I have reviewed the accompanying financial statements of the business-type activities of the Columbia Heights Water District (the "District"), a component unit of Caldwell Parish Police Jury, as of and for the year ended December 31, 2013, which collectively comprise the District's basic financial statements as listed in the table of contents. A review includes primarily applying analytical procedures to management's financial data and making inquiries of the management of the District. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, I do not express such an opinion.

Management of the District is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

My responsibility is to conduct the review in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. Those standards require me to perform procedures to obtain limited assurance that there are no material modifications that should be made to the financial statements. I believe that the results of my procedures provide a reasonable basis for my report.

Based on my review, I am not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with accounting principles generally accepted in the United States of America.

My review was made primarily for the purpose of expressing a conclusion that there are no material modifications that should be made to the financial statements for them to be in conformity with accounting principles generally accepted in the United States of America. The management's discussion and analysis on pages 4 through 6, is presented for purposes of additional analysis. Such information, although not a required part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting and for placing the basic financial statements in an appropriate operational, economic, or historical context. The schedule of compensation paid commissioners, status of prior year findings and current year findings and corrective action plan on pages

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BOARD OF COMMISSIONERS
COLUMBIA HEIGHTS WATER DISTRICT
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18 through 20, are not a required part of the basic financial statements but are supplementary information required by the Louisiana Governmental Audit Guide. The supplementary information has not been subjected to the inquiry and analytical procedures applied in the review of the basic financial statements, but it has been compiled from information that is the representation of management. I have not audited or reviewed the supplementary information, and accordingly, I do not express an opinion or provide any assurance on such supplementary information.

In accordance with the Louisiana Governmental Audit Guide and the provisions of state law, I have issued a report dated June 3, 2014, on the results of my agreed-upon procedures.

/s Carleen Dumas
Calhoun, Louisiana
June 3, 2014

COLUMBIA HEIGHTS WATER DISTRICT
Columbia, Louisiana

MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended December 31, 2013

Our discussion and analysis of Columbia Heights Water District's (hereafter referred to as the District) financial performance provides an overview of the District's financial activities for the fiscal year ended December 31, 2013. Please read it in conjunction with the District's financial statements that begin on page 8.

BASIC FINANCIAL STATEMENTS

This annual report consists of a series of financial statements. Governmental Accounting Standards Board Statement No. 34, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments*, provides that special-purpose governments engaged only in business-type activities should present only the financial statements required for enterprise funds. For these governments, basic financial statements and required supplemental information (RSI) consist of :

- a. Management's discussion and analysis (MD&A)
- b. Statement of net position
- c. Statement of revenues, expenses, and changes in net position
- d. Statement of cash flows
- e. Notes to the financial statements
- f. RSI other than MD&A, if applicable

The Columbia Heights Water District is a special-purpose government engaged only in business-type activities.

Enterprise Fund Financial Statements

The Statement of Net Position and the Statement of Revenues, Expenses and Changes in Net Position provide information in a way that shows the change in the District's financial condition resulting from the current year's activities. These statements include all assets and liabilities using the *accrual basis of accounting*, which is similar to the accounting used by most businesses. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the District's *net position* and the changes in net position. Net position - the difference between assets (what the District owns) and liabilities (what the District owes) is a way to measure the financial position of the District. Over time, increases or decreases in the District's net position is an indicator of whether the District's financial position is improving or deteriorating.

COLUMBIA HEIGHTS WATER DISTRICT
Columbia, Louisiana
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended December 31, 2013

The Statement of Cash Flows provides information on the changes in cash during the year. This statement reports the net cash provided or used by operating activities, capital and related financing activities, and investing activities.

**COMPARATIVE ANALYSIS OF
FINANCIAL DATA**

The District's total net position increased by \$69,427 during 2013. Operating revenues decreased \$4,186 and operating expenses increased \$52,406 in 2013 due primarily to increases in maintenance and repairs and salary expenses. The following presents an analysis of net position and changes in net position of the District's business-type activities:

	BUSINESS-TYPE ACTIVITIES	
	<u>2013</u>	<u>2012</u>
Assets		
Current assets	\$1,116,364	\$1,037,145
Capital assets	<u>89,024</u>	<u>95,745</u>
Total assets	<u>1,205,388</u>	<u>1,132,890</u>
Liabilities		
Current liabilities	<u>101,783</u>	<u>98,712</u>
Total liabilities	<u>101,783</u>	<u>98,712</u>
Net Position		
Net investment in capital assets	89,024	95,745
Unrestricted	<u>1,014,581</u>	<u>938,433</u>
Total net position	<u>1,103,605</u>	<u>1,034,178</u>
Operating revenues	315,969	320,155
Operating expenses	251,627	199,221
Non-operating revenue	5,085	1,741
Change in net position	69,427	122,675
Net position - beginning	<u>1,034,178</u>	<u>911,503</u>
Net position - ending	<u><u>\$1,103,605</u></u>	<u><u>\$1,034,178</u></u>

COLUMBIA HEIGHTS WATER DISTRICT
Columbia, Louisiana
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended December 31, 2013

OVERALL FINANCIAL POSITION

The District's change in net position was a \$69,427 increase. Unrestricted net position (those assets available to finance the daily operations of the district) were \$1,014,581 at year end. The amount invested in capital assets was \$89,024 at year end.

CAPITAL ASSETS

At the end of the year, the District had capital assets (net of accumulated depreciation) totaling \$89,024. Capital assets include land, the water system and equipment costing \$1,000 or more. Additional information about the District's capital assets is presented in Note 4 to the financial statements.

ECONOMIC FACTORS

The District anticipates that operating revenues and expenses will remain fairly constant for 2014. The District anticipates making major improvements to its water system during 2014. The total cost of these improvements as well as the source of financing has not yet been determined.

BASIC FINANCIAL STATEMENTS

COLUMBIA HEIGHTS WATER DISTRICT
Columbia, Louisiana

STATEMENT OF NET POSITION
December 31, 2013

ASSETS

Current assets:

Cash	\$560,953
Investments	503,922
Accounts receivable	<u>51,489</u>
Total current assets	<u>1,116,364</u>

Noncurrent assets:

Property, plant and equipment (net of accumulated depreciation)	<u>89,024</u>
Total assets	<u><u>1,205,388</u></u>

LIABILITIES

Current liabilities:

Accounts payable	25,941
Payroll taxes payable	2,281
Customer deposits	<u>73,561</u>
Total liabilities	<u>101,783</u>

NET POSITION

Net investment in capital assets	89,024
Unrestricted	<u>1,014,581</u>
Total net position	<u><u>\$1,103,605</u></u>

See accompanying notes and independent accountant's review report.

COLUMBIA HEIGHTS WATER DISTRICT
Columbia, Louisiana

STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN NET POSITION
For the Year Ended December 31, 2013

OPERATING REVENUES

Water sales	\$310,071
Installation fees	350
Other revenue	5,548
Total revenues	<u>315,969</u>

OPERATING EXPENSES

Commissioners fees	6,100
Accounting and audit	1,544
Maintenance and repairs	26,763
Materials and supplies	36,431
Office expense	2,959
Utilities	22,078
Insurance	20,145
Salaries and payroll taxes	119,551
Collections expense	1,737
Truck and gas expense	4,320
Depreciation	6,721
Other operating expenses	3,278
Total operating expenses	<u>251,627</u>

OPERATING INCOME

64,342

NON-OPERATING REVENUE

Interest income	<u>5,085</u>
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CHANGE IN NET POSITION

69,427

NET POSITION - BEGINNING

1,034,178

NET POSITION - ENDING

\$1,103,605

See accompanying notes and independent accountant's review report.

COLUMBIA HEIGHTS WATER DISTRICT
Columbia, Louisiana

STATEMENT OF CASH FLOWS
For the Year Ended December 31, 2013

CASH FLOWS FROM OPERATING ACTIVITIES

Receipts from customers	\$308,644
Customer deposit receipts, net	1,200
Payments to suppliers	(133,433)
Payments to employees and board members	(114,923)
Net cash provided by operating activities	<u>61,488</u>

CASH FLOWS FROM INVESTING ACTIVITIES

Interest income	5,085
Increase in investments	(5,071)
Net cash provided by investing activities	<u>14</u>

NET INCREASE IN CASH 61,502

CASH AT BEGINNING OF YEAR 499,451

CASH AT END OF YEAR \$560,953

Reconciliation of Operating Income to Net Cash**Provided by Operating Activities**

Operating Income	<u>\$64,342</u>
Adjustments:	
Depreciation	6,721
Increase in accounts receivable	(12,646)
Increase in accounts payable	1,677
Increase in payroll taxes payable	194
Increase in customer deposits	<u>1,200</u>
Total adjustments	<u>(2,854)</u>
Net cash provided by operating activities	<u><u>\$61,488</u></u>

See accompanying notes and independent accountant's review report.

COLUMBIA HEIGHTS WATER DISTRICT
Columbia, Louisiana

Notes to the Financial Statements
As of and for the Year Ended December 31, 2013

INTRODUCTION

The Columbia Heights Water District was created by the Caldwell Parish Police Jury as authorized by Louisiana Revised Statute 33:3811 for the purpose of supplying safe drinking water to the population of the district. The district is governed by a five member board appointed by the police jury who receive \$100 per meeting attended. The district serves approximately 667 customers and has four part-time employees.

GASB Statement No. 14, *The Reporting Entity*, and No. 39, *Determining Whether Certain Organizations Are Component Units - an amendment of GASB Statement No. 14* established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Under provisions of these statements, the Columbia Heights Water District is considered a component unit of the Caldwell Parish Police Jury. As a component unit, the accompanying financial statements maybe included within the reporting of the primary government, either blended into those financial statements or separately reported as a discrete component unit.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Financial Statements

Governmental Accounting Standards Board Statement No. 34, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments*, provides that special-purpose governments engaged only in business-type activities should present only the financial statements required for enterprise funds. For these governments, basic financial statements and required supplemental information (RSI) consist of :

1. Management's discussion and analysis (MD&A)
2. Statement of net position
3. Statement of revenues, expenses, and changes in net position
4. Statement of cash flows
5. Notes to the financial statements
6. RSI other than MD&A, if applicable

The Columbia Heights Water District is a special-purpose government engaged only in business-type activities.

See independent accountant's review report.

COLUMBIA HEIGHTS WATER DISTRICT
Notes to the Financial Statements

**B. Measurement Focus, Basis of Accounting, and
Financial Statement Presentation**

Enterprise fund statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

Enterprise funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services in connection with the fund's principal ongoing operation. The operating revenues of the Columbia Heights Water District are water sales, installation fees, and other miscellaneous operating revenues. Operating expenses for enterprise funds include the costs of the services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

C. Deposits and Investments

Cash includes amounts in interest-bearing and non-interest bearing demand deposits. State law limits the district's credit risk to by restricting the district's investments to collateralized certificates of deposits, government-backed securities, commercial paper, the state sponsored investment pool, and mutual funds consisting solely of government-backed securities. If the original maturities of investments exceed 90 days, they are classified as investments; however, if the original maturities are 90 days or less, they are classified as cash equivalents. At December 31, 2013, the district's investments consist of nonnegotiable certificates of deposits with original maturities that exceed 90 days that are reported in the accompanying financial statements at cost. The district's interest rate risk is limited by all investments maturing within 12 months of year end.

D. Receivables

Accounts receivable consist of amounts due from customers for water service provided prior to year end and a reimbursement of shared expenses from Columbia Heights Sewer District. Receivables for water sales are shown net of an allowance for uncollectible amounts. The allowance is an estimate based on the amount of receivables that are past due and the amount collected in the month following the month billed. Unpaid accounts are written off as bad debts when considered uncollectible by management.

E. Capital Assets

Capital assets, which include land, the water system, and equipment are reported in the enterprise fund financial statements. All of the district's capital assets are capitalized at

See independent accountant's review report.

COLUMBIA HEIGHTS WATER DISTRICT
Notes to the Financial Statements

historical cost. The Columbia Heights Water District maintains a threshold level of \$1,000 or more for capitalizing capital assets. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the asset's life are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets, if any, is included as part of the capitalized value of the assets constructed.

All capital assets, other than land, are depreciated using the straight-line method over the following useful lives:

	<u>Estimated Lives</u>
Infrastructure - Water system	25 years
Equipment	5 - 10 years

F. Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts of assets and liabilities, disclosures, and revenues, expenditures, and expenses during the reporting period. Actual results could differ from those estimates.

2. DEPOSITS IN FINANCIAL INSTITUTIONS

At December 31, 2013, the district has cash and investments (book balances) as follows:

Non-interest bearing checking accounts	\$560,322
Interest bearing savings accounts	631
Investments - certificates of deposit	<u>503,922</u>
Total	<u><u>\$1,064,875</u></u>

These deposits are stated at cost, which approximates market. Under state law, these deposits, or the resulting bank balances, must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. At December 31, 2013, the Columbia Heights Water District has \$1,080,614 in deposits (collected bank balances). These deposits are secured from risk by \$250,631 of federal deposit insurance and \$832,266 of pledged securities held by the custodial bank in the name of the fiscal agent bank (GASB Category 3).

See independent accountant's review report.

COLUMBIA HEIGHTS WATER DISTRICT
Notes to the Financial Statements

Even though the pledged securities are considered uncollateralized (Category 3) under the provisions of GASB Statement 40, Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the district that the fiscal agent bank has failed to pay deposited funds upon demand.

3. ACCOUNTS RECEIVABLE

At December 31, 2013, the district has net receivables of \$51,489 as follows:

Water sales	\$51,781
Allowance for uncollectible accounts	(5,613)
Due from sewer	<u>5,321</u>
Net receivables	<u><u>\$51,489</u></u>

4. CAPITAL ASSETS

Capital assets and depreciation activity as of and for the year ended December 31, 2013, is as follows:

	Balance at January 1, 2013	Increases	Decreases	Balance at December 31, 2013
Capital assets not being depreciated:				
Land	<u>\$57,489</u>	<u>NONE</u>	<u>NONE</u>	<u>\$57,489</u>
Capital assets being depreciated:				
Water system	\$992,133			\$992,133
Equipment	<u>114,918</u>			<u>114,918</u>
Total capital assets being depreciated	<u>1,107,051</u>	<u>NONE</u>	<u>NONE</u>	<u>1,107,051</u>
Less accumulated depreciation for:				
Water system	974,595	2,267		976,862
Equipment	<u>94,200</u>	<u>4,454</u>		<u>98,654</u>
Total accumulated depreciation	<u>1,068,795</u>	<u>6,721</u>	<u>NONE</u>	<u>1,075,516</u>
Total assets being depreciated, net	<u>38,256</u>	<u>(6,721)</u>	<u>NONE</u>	<u>31,535</u>
Total assets	<u><u>\$95,745</u></u>	<u><u>(\$6,721)</u></u>	<u><u>NONE</u></u>	<u><u>\$89,024</u></u>

See independent accountant's review report.

COLUMBIA HEIGHTS WATER DISTRICT
Notes to the Financial Statements

Depreciation expense of \$6,721 for the year ended December 31, 2013 was reported in the statement of revenues, expenses, and changes in net position.

5. RISK MANAGEMENT

The district purchases commercial insurance to reduce the risk of loss resulting from property damage or liability claims. There have been no significant reductions in insurance coverage from coverage in the prior year. Settlements have not exceeded insurance coverage in any of the past three fiscal years.

6. SUBSEQUENT EVENTS

Management of the district has evaluated subsequent events through June 3, 2014, the date which the financial statements were available to be issued.

See independent accountant's review report.

SUPPLEMENTAL INFORMATION SCHEDULES

See independent accountant's review report.

COLUMBIA HEIGHTS WATER DISTRICT
Columbia, Louisiana

SUPPLEMENTAL INFORMATION SCHEDULES
As of and For the Year Ended December 31, 2013

COMPENSATION PAID COMMISSIONERS

The schedule of compensation paid to commissioners is presented in compliance with House Concurrent Resolution No. 54 of the 1979 Session of the Louisiana Legislature. As provided by Louisiana Revised Statute 33:3819(G), Columbia Heights Water District commissioners receive \$100 per meeting attended.

STATUS OF PRIOR YEAR FINDINGS

The follow-up and corrective action taken on all prior year findings is presented in Schedule 2.

**CURRENT YEAR FINDINGS AND
CORRECTIVE ACTION PLAN**

The corrective action plan for current year findings is presented in Schedule 3.

See independent accountant's review report.

Schedule 1

COLUMBIA HEIGHTS WATER DISTRICT
Columbia, Louisiana

SCHEDULE OF COMPENSATION PAID COMMISSIONERS
For the Year Ended December 31, 2013

Louis Champagne	\$1,300
G.H. Childress	1,300
Ronnie Darden	1,100
Marshall Davis, Jr.	1,300
Mike McDonald	<u>1,100</u>
Total	<u><u>\$6,100</u></u>

See independent accountant's review report.

COLUMBIA HEIGHTS WATER DISTRICT
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STATUS OF PRIOR YEAR FINDINGS
For the Year Ended December 31, 2013

Reference Number	Fiscal Year Finding Initially Occurred	Description of Finding	Corrective Action Taken	Planned Corrective Action
N/A	2005	Inadequate segregation of accounting duties.	N/A	See current year findings.
Procedure 8a	2012	One disbursement was not adequately supported.	Yes	N/A

See independent accountant's review report.

COLUMBIA HEIGHTS WATER DISTRICT
Columbia, Louisiana

CURRENT YEAR FINDINGS AND
CORRECTIVE ACTION PLAN
For the Year Ended December 31, 2013

<u>Reference Number</u>	<u>Description of Finding</u>	<u>Corrective Action Planned</u>	<u>Name of Contact Person</u>	<u>Anticipated Completion Date</u>
N/A	Inadequate segregation of accounting duties.	It is not economically feasible to correct this deficiency based on the size of the district.	Gerald Childress, President	N/A

See independent accountant's review report.

**Independent Accountant's Report on Applying
Agreed-Upon Procedures**

The following independent accountant's report on applying agreed upon procedures is presented in compliance with the requirements of the *Louisiana Governmental Audit Guide* and the *Louisiana Attestation Questionnaire*, issued by the Society of Louisiana Certified Public Accountants and the Louisiana Legislative Auditor.

M. CARLEEN DUMAS
Certified Public Accountant
369 Donaldson Road. Calhoun, Louisiana. Telephone 318/644-5726

Independent Accountant's Report
On Applying Agreed-Upon Procedures

BOARD OF COMMISSIONERS
COLUMBIA HEIGHTS WATER DISTRICT
Columbia, Louisiana

I have performed the procedures included in the *Louisiana Governmental Audit Guide* and enumerated below, which were agreed to by the management of the Columbia Heights Water District and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about the District's compliance with certain laws and regulations during the year ended December 31, 2013 included in the accompanying *Louisiana Attestation Questionnaire*. Management of the District is responsible for its financial records and compliance with applicable laws and regulations. This agreed-upon procedures engagement was performed in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. The sufficiency of the procedures is solely the responsibility of the specified users of the report. Consequently, I make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Public Bid Law

1. Select all expenditures made during the year for materials and supplies exceeding \$30,000, or public works exceeding \$150,000, and determine whether such purchases were made in accordance with LSA-RS 38:2211-2251 (the public bid law).

A review was made of all disbursements for the year. There were no disbursements for materials and supplies exceeding \$30,000 nor were there any disbursements for public works exceeding \$150,000 made during the year.

Code of Ethics for Public Officials and Public Employees

2. Obtain from management a list of the immediate family members of each board member as defined by LSA-RS 42:1101-1124 (the code of ethics), and a list of outside business interests of all board members and employees, as well as their immediate families.

Management provided me with the required list including the noted information.

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Columbia Heights Water District
Independent Accountant's Report on
Applying Agreed-Upon Procedures
December 31, 2013

3. Obtain from management a listing of all employees paid during the period under examination.

Management provided me with the required list.

4. Determine whether any of the employees included in the listing obtained from management in procedure number 3 above were also included in the listing obtained from management in procedure number 2 above as immediate family members.

Two of the four employees included on the list of employees provided by management in agreed-upon procedure (3) are immediate family members of another employee. However, none of the employees are considered an agency head.

Budgeting

5. Obtain a copy of the legally adopted budget and all amendments.

The district is not legally required to adopt a budget.

6. Trace the budget adoption and amendments to the minute book.

See procedure 5.

7. Compare the revenues and expenditures of the final budget to actual revenues and expenditures to determine if actual revenues failed to meet budgeted revenues by 5% or more or if actual expenditures exceed budgeted amounts by 5% or more.

See procedure 5.

Accounting and Reporting

8. Randomly select 6 disbursements made during the period under examination and;
 - (a) trace payments to supporting documentation as to correct amount and payee;
 - (b) determine if payments were properly coded to the correct fund and general ledger account;
 - (c) determine whether payments received approval from proper authorities.

An examination of six randomly selected disbursements disclosed the following:

Columbia Heights Water District
Independent Accountant's Report on
Applying Agreed-Upon Procedures
December 31, 2013

- (a) The six selected disbursements were adequately supported.
- (b) The six selected payments were properly coded to the correct fund and general ledger account.
- (c) The six selected payments received approval from the proper authorities.

Meetings

9. Examine evidence indicating that agendas for meetings recorded in the minute book were posted or advertised as required by LSA-RS 42:1-12 (the opening meetings law).

The public notices for meetings were posted as required by LSA-RS 42:7.

Debt

10. Examine bank deposits for the period under examination and determine whether any such deposits appear to be proceeds of bank loans, bonds, or like indebtedness.

I examined all deposits for the period under examination and noted no proceeds that appeared to be from bank loans, bonds, or like indebtedness.

Advances and Bonuses

11. Examine payroll records and minutes for the year to determine whether any payments have been made to employees which may constitute bonuses, advances, or gifts.

A reading of the minutes of the board meetings and an examination of payroll records indicated no payments to employees which may constitute bonuses, advances, or gifts.

Prior Comments and Recommendations

There were two findings included in the prior year report. One of the findings has been resolved by management.

I was not engaged to, and did not, perform an audit, the objective of which would be the expression of an opinion on management's assertions. Accordingly, I do not express such an opinion. Had I performed additional procedures, other matters might have come to my attention that would have been reported to you.

Columbia Heights Water District
Independent Accountant's Report on
Applying Agreed-Upon Procedures
December 31, 2013

This report is intended solely for the use of management of the Columbia Heights Water District and the Legislative Auditor, State of Louisiana, and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

/s Carleen Dumas
Calhoun, Louisiana
June 3, 2014

Louisiana Attestation Questionnaire

The accompanying *Louisiana Attestation Questionnaire* has been completed by management and is included in this report as required by the *Louisiana Governmental Audit Guide*.

M. Carleen Dumas, CPA
369 Donaldson Road
Calhoun, LA 71225

Mrs. Dumas,

In connection with your review of our financial statements as of December 31, 2013 and for the year then ended, as required by Louisiana Revised Statute 24:513 and the Louisiana Governmental Audit Guide, we make the following representations to you. We accept full responsibility for our compliance with the following laws and regulations and the internal controls over compliance with such laws and regulations. We have evaluated our compliance with the following laws and regulations prior to making these representations.

These representations are based on information available to us as of 1/13/14.

Public Bid Law

It is true that we have complied with the public bid law, R.S. Title 38:2211-2296, and, where applicable, the regulations of the Division of Administration, State Purchasing Office.

Yes ☒ No ☐ N/A ☐

Code of Ethics for Public Officials and Public Employees

It is true that no employees or officials have accepted anything of value, whether in the form of a service, loan, or promise, from anyone which would constitute a violation of R.S. 42:1101-1124.

Yes ☒ No ☐ N/A ☐

It is true that no member of the immediate family of any member of the governing authority, or the chief executive of the governmental entity, has been employed by the governmental entity after April 1, 1980 under circumstances which would constitute a violation of R.S. 42:1119.

Yes ☒ No ☐ N/A ☐

Budgeting

We have complied with the state budgeting requirements of the Local Government Budget Act (R.S. 39:1301-15), R.S. 39:33, or the budget requirements of R.S. 39:1331-1342, as applicable.

Yes ☒ No ☐ N/A ☐

Accounting and Reporting

All non-exempt governmental records are available as a public record and have been retained for at least three years, as required by R.S. 44:1, 44:7, 44:31, and 44:36.

Yes ☒ No ☐ N/A ☐

We have filed our annual financial statements in accordance with R.S. 24:514, and R.S. 33:463 where applicable.

Yes ☒ No ☐ N/A ☐

We have had our financial statements reviewed in accordance with R.S. 24:513.

Yes ☒ No ☐ N/A ☐

Meetings

We have complied with the provisions of the Opening Meetings Law, provided R.S. 42:11 through 42:28.

Yes ☒ No ☐ N/A ☐

Debt

It is true that we have not incurred any indebtedness, other than credit for 90 days or less to make purchases in the ordinary course of administration, nor have we entered into any lease-purchase agreements, without the approval of the State Bond Commission, as provided by Article VII, Section 8 of the 1974 Louisiana Constitution, Article VI, Section 33 of the 1974 Louisiana Constitution, and R.S. 39:1410.60 - 1410.65.

Yes ☒ No ☐ N/A ☐

Advances and Bonuses

It is true that we have not advanced wages or salaries to employees or paid bonuses in violation of Article VII, Section 14 of the 1974 Louisiana Constitution, R.S. 14:138, and AG opinion 79-729.

Yes ☒ No ☐ N/A ☐

We have disclosed to you all known noncompliance of the foregoing laws and regulations, as well as any contradictions to the foregoing representations. We have made available to you documentation relating to the foregoing laws and regulations.

We have provided you with any communications from regulatory agencies or other sources concerning any possible noncompliance with the foregoing laws and regulations, including any communications received between the end of the period under examination and the issuance of this report. We acknowledge our responsibility to disclose to you any known noncompliance which may occur subsequent to the issuance of your report.

<u>/s JA G.H. Childress</u>	<u>5/30/14</u>
Name	Date